

MFS INTERMEDIATE INCOME TRUST  
Form N-CSR  
December 30, 2015  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM N-CSR**

**CERTIFIED SHAREHOLDER REPORT OF**  
**REGISTERED MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number 811-5440

**MFS INTERMEDIATE INCOME TRUST**

(Exact name of registrant as specified in charter)

**111 Huntington Avenue, Boston, Massachusetts 02199**

(Address of principal executive offices) (Zip code)

**Kristin V. Collins**

**Massachusetts Financial Services Company**

**111 Huntington Avenue**

**Boston, Massachusetts 02199**

(Name and address of agents for service)

Registrant's telephone number, including area code: (617) 954-5000

Date of fiscal year end: October 31

Date of reporting period: October 31, 2015

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**ITEM 1. REPORTS TO STOCKHOLDERS.**

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**ANNUAL REPORT**

October 31, 2015

**MFS® INTERMEDIATE INCOME TRUST**

MIN-ANN

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**MANAGED DISTRIBUTION POLICY DISCLOSURE**

The MFS Intermediate Income Trust's (the fund) Board of Trustees has adopted a managed distribution policy. The fund seeks to pay monthly distributions based on an annual rate of 8.5% of the fund's average monthly net asset value. The fund's total return in relation to changes in net asset value is presented in the Financial Highlights. You should not draw any conclusions about the fund's investment performance from the amount of the current distribution or from the terms of the fund's managed distribution policy. The Board may amend or terminate the managed distribution policy at any time without prior notice to fund shareholders.

With each distribution, the fund will issue a notice to shareholders and an accompanying press release which will provide detailed information regarding the amount and composition of the distribution and other related information. The amounts and sources of distributions reported in the notice to shareholders are only estimates and are not being provided for tax reporting purposes. The actual amounts and sources of the amounts for tax reporting purposes will depend upon the fund's investment experience during the remainder of its fiscal year and may be subject to changes based on tax regulations. The fund will send you a Form 1099-DIV for the calendar year that will tell you how to report these distributions for federal income tax purposes.

Under a managed distribution policy the fund may at times distribute more than its net investment income and net realized capital gains; therefore, a portion of your distribution may result in a return of capital. A return of capital may occur, for example, when some or all of the money that you invested in the fund is paid back to you. A return of capital does not necessarily reflect the fund's investment performance and should not be confused with yield or income. Please refer to Tax Matters and Distributions under Note 2 of the Notes to Financial Statements for information regarding the tax character of the fund's distributions.

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**MFS® INTERMEDIATE INCOME TRUST**

New York Stock Exchange Symbol: **MIN**

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NOT FDIC INSURED MAY LOSE VALUE NO BANK GUARANTEE

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**LETTER FROM THE CHAIRMAN**

Dear Shareholders:

The global economy remains vulnerable as central banks continue to play a major role in supporting growth.

Even the resilient U.S. economy has had slower growth, as a strong U.S. dollar and weak overseas markets have hurt exporters. However, robust consumer demand and a recovering housing market have aided the domestic economy, fueled by cheap gasoline and an improving labor market.

China's transition to a consumer-based, slower-growth economy has weighed on many commodity-exporting nations. And concerns about weakness in China have eroded investor and business confidence around the world. Meanwhile, rising geopolitical concerns will weigh on the eurozone, which is still reliant on the European Central Bank's support.

As markets have become more focused on short-term trends in recent years, we believe it's important for investors to lengthen their investment time horizon. At MFS®, we don't trade on headlines or trends; we invest for the long term.

We believe that this approach, coupled with the professional guidance of a financial advisor, will help you reach your investment goals.

Respectfully,

**Robert J. Manning**

Chairman

MFS Investment Management

December 15, 2015

The opinions expressed in this letter are subject to change and may not be relied upon for investment advice. No forecasts can be guaranteed.

**Table of Contents****PORTFOLIO COMPOSITION****Portfolio structure (i)****Fixed income sectors (i)**

Investment Grade Corporates	63.2%
Non-U.S. Government Bonds	18.8%
Emerging Markets Bonds	7.7%
U.S. Treasury Securities	5.1%
Asset-Backed Securities	4.7%
Mortgage-Backed Securities	2.3%
Commercial Mortgage-Backed Securities	1.4%
High Yield Corporates	1.1%
U.S. Government Agencies	1.0%
Collateralized Debt Obligations	0.2%

**Composition including fixed income credit quality (a)(i)**

AAA	10.0%
AA	13.2%
A	30.4%
BBB	41.9%
BB	0.6%
CC (o)	0.0%
Federal Agencies	3.3%
Not Rated	6.1%
Cash & Cash Equivalents	(0.6)%
Other	(4.9)%

**Portfolio facts (i)**

Average Duration (d)	3.6
Average Effective Maturity (m)	3.8 yrs.

**Issuer country weightings (i)(x)**

United States	48.6%
United Kingdom	5.6%
France	4.8%
Japan	4.7%
Italy	4.5%
Germany	4.1%
Netherlands	3.3%
Canada	3.1%
Switzerland	2.6%
Other Countries	18.7%

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*Portfolio Composition continued*

- (a) For all securities other than those specifically described below, ratings are assigned to underlying securities utilizing ratings from Moody's, Fitch, and Standard & Poor's rating agencies and applying the following hierarchy: If all three agencies provide a rating, the middle rating (after dropping the highest and lowest ratings) is assigned; if two of the three agencies rate a security, the lower of the two is assigned. Ratings are shown in the S&P and Fitch scale (e.g., AAA). Securities rated BBB or higher are considered investment grade. All ratings are subject to change. Federal Agencies includes rated and unrated U.S. Agency fixed-income securities, U.S. Agency mortgage-backed securities, and collateralized mortgage obligations of U.S. Agency mortgage-backed securities. Not Rated includes fixed income securities, including fixed income futures contracts, which have not been rated by any rating agency. The fund may not hold all of these instruments. The fund is not rated by these agencies.
- (d) Duration is a measure of how much a bond's price is likely to fluctuate with general changes in interest rates, e.g., if rates rise 1.00%, a bond with a 5-year duration is likely to lose about 5.00% of its value due to the interest rate move.
- (i) For purposes of this presentation, the components include the value of securities, and reflect the impact of the equivalent exposure of derivative positions, if any. These amounts may be negative from time to time. Equivalent exposure is a calculated amount that translates the derivative position into a reasonable approximation of the amount of the underlying asset that the portfolio would have to hold at a given point in time to have the same price sensitivity that results from the portfolio's ownership of the derivative contract. When dealing with derivatives, equivalent exposure is a more representative measure of the potential impact of a position on portfolio performance than value. The bond component will include any accrued interest amounts.
- (m) In determining an instrument's effective maturity for purposes of calculating the fund's dollar-weighted average effective maturity, MFS uses the instrument's stated maturity or, if applicable, an earlier date on which MFS believes it is probable that a maturity-shortening device (such as a put, pre-refunding or prepayment) will cause the instrument to be repaid. Such an earlier date can be substantially shorter than the instrument's stated maturity.
- (o) Less than 0.1%.
- (x) Represents the portfolio's exposure to issuer countries as a percentage of a portfolio's net assets. For purposes of this presentation, United States includes Cash & Cash Equivalents and Other.

From time to time Cash & Cash Equivalents may be negative due to timing of cash receipts.

From time to time Other may be negative due to equivalent exposure from currency derivatives and/or offsets to derivative positions.

Where the fund holds convertible bonds, these are treated as part of the equity portion of the portfolio.

Cash & Cash Equivalents includes any cash, investments in money market funds, short-term securities, and other assets less liabilities. Please see the Statement of Assets and Liabilities for additional information related to the fund's cash position and other assets and liabilities.

Other includes currency derivatives and/or any offsets to derivative positions.

Percentages are based on net assets as of 10/31/15.

The portfolio is actively managed and current holdings may be different.



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**MANAGEMENT REVIEW**

**Summary of Results**

MFS Intermediate Income Trust ( fund ) is a closed-end fund. The fund s investment objective is to seek high current income, but may also consider capital appreciation. MFS normally invests the fund s assets primarily in debt instruments. MFS generally invests substantially all of the fund s assets in investment grade quality debt instruments.

For the twelve months ended October 31, 2015, shares of the fund provided a total return of 1.96%, at net asset value and a total return of 0.82%, at market value. This compares with a return of 1.86% for the fund s benchmark, the Barclays Intermediate U.S. Government/Credit Bond Index ( Barclays Index ). Over the same period, the fund s other benchmark, the MFS Intermediate Income Trust Blended Index ( Blended Index ), generated a return of 2.44%. The Blended Index reflects the blended returns of various fixed income market indices, with percentage allocations to each index designed to resemble the fixed income allocations of the fund. The market indices and related percentage allocations used to compile the Blended Index are set forth in the Performance Summary.

The performance commentary below is based on the net asset value performance of the fund which reflects the performance of the underlying pool of assets held by the fund. The total return at market value represents the return earned by owners of the shares of the fund which are traded publicly on the exchange.

**Market Environment**

Sluggish global growth weighed on both developed and emerging market ( EM ) economies during the reporting period. EM economies have been particularly lackluster. While the US Federal Reserve appears ready to tighten monetary conditions, other large developed economies continued to embrace accommodative monetary policies, particularly the European Central Bank, which instituted a large quantitative easing program in January of 2015. Poor policy management by the Chinese government roiled global markets over the summer, beginning with the poorly executed response to the stock market s boom and bust and then the confusing decision to devalue the renminbi in August. China subsequently stabilized the currency and ramped up a wide range of monetary and fiscal measures to stimulate the economy and bolster sentiment.

During the second half of the reporting period, the US faced an earnings recession caused primarily by the sharp decline in the prices of oil and other commodities. Earnings contractions were concentrated primarily in the energy, materials and industrial sectors. An additional headwind for earnings was the sharp rise in the US dollar over the period. Exports were crimped by the dollar s strength and falling demand in emerging markets. Consumer spending held up well during the period amid a modest increase in real wages and a tailwind from falling gasoline prices. Demand for autos reached near-record territory late in the period. In emerging markets, two key factors weighed on economies and asset prices: weaker Chinese growth, and the resulting decline in commodity prices, in addition to prospects for higher US interest rates. Structural factors like floating exchange rates and fiscal buffers partially offset these cyclical headwinds.

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*Management Review continued*

**Detractors from Performance**

Relative to the Blended Index, the fund's greater exposure to North American bonds rated<sup>(r)</sup> in the BBB credit quality segment was a primary detractor from relative performance.

Yield curve<sup>(y)</sup> positioning in Europe, particularly the fund's lesser exposure to shifts in the long end (centered around maturities of 10 or more years) of the yield curve, was another area of relative weakness.

The portion of the fund's return derived from yield within European bond issues, which was less than that of the Blended Index, was also a detractor from relative performance.

**Contributors to Performance**

Over the reporting period, the fund's greater relative exposure to corporate bonds within the *financial* sector benefited relative performance.

The portion of the fund's return derived from yield within US issues, which was greater than that of the Blended Index, also strengthened relative results.

Respectfully,

James Calmas  
Portfolio Manager

Erik Weisman  
Portfolio Manager

(r) Bonds rated BBB, Baa, or higher are considered investment grade; bonds rated BB, Ba, or below are considered non-investment grade. The source for bond quality ratings is Moody's Investors Service, Standard & Poor's and Fitch, Inc. and are applied using the following hierarchy: If all three agencies provide a rating, the middle rating (after dropping the highest and lowest ratings) is assigned; if two of the three agencies rate a security, the lower of the two is assigned. Ratings are shown in the S&P and Fitch scale (e.g., AAA). For securities which are not rated by any of the three agencies, the security is considered Not Rated.

(y) A yield curve graphically depicts the yields of different maturity bonds of the same credit quality and type; a normal yield curve is upward sloping, with short-term rates lower than long-term rates.

*Note to Shareholders: Effective March 31, 2015, Ward Brown and Matthew Ryan are no longer Portfolio Managers of the Fund.*

The views expressed in this report are those of the portfolio managers only through the end of the period of the report as stated on the cover and do not necessarily reflect the views of MFS or any other person in the MFS organization. These views are subject to change at any time based on market or other conditions, and MFS disclaims any responsibility to update such views. These views may not be relied upon as investment advice or an indication of trading intent on behalf of any MFS portfolio. References to specific securities are not recommendations of such securities, and may not be representative of any MFS portfolio's current or future investments.

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**PERFORMANCE SUMMARY THROUGH 10/31/15**

The following chart presents the fund's historical performance in comparison to its benchmark(s). Investment return and principal value will fluctuate, and shares, when sold, may be worth more or less than their original cost; current performance may be lower or higher than quoted. The performance shown does not reflect the deduction of taxes, if any, that a shareholder would pay on fund distributions or the sale of fund shares. Performance data shown represents past performance and is no guarantee of future results.

**Price Summary for MFS Intermediate Income Trust**

		Date	Price
	Net Asset Value	10/31/15	\$5.05
		10/31/14	\$5.44
	New York Stock Exchange Price	10/31/15	\$4.56
Year		11/03/14 (high) (t)	\$5.07
Ended		8/25/15 (low) (t)	\$4.46
10/31/15		10/31/14	\$5.05

**Total Returns vs Benchmarks**

	MFS Intermediate Income Trust at	
	New York Stock Exchange Price (r)	(0.82)%
	Net Asset Value (r)	1.96%
	Barclays Intermediate U.S. Government/Credit Bond Index (f)	1.86%
Year Ended	MFS Intermediate Income Trust Blended Index (f)(w)	2.44%
10/31/15	JPMorgan Global Government Bond Index ex U.S. (Hedged) (f)	4.17%

(f) Source: FactSet Research Systems Inc.

(r) Includes reinvestment of dividends and capital gain distributions.

(t) For the period November 1, 2014 through October 31, 2015.

(w) As of October 31, 2015, the MFS Intermediate Income Trust Blended Index was comprised of 75% Barclays Intermediate U.S. Government/Credit Bond Index and 25% JP Morgan Global Government Bond Index ex U.S. (Hedged).

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*Performance Summary continued*

**Benchmark Definitions**

Barclays Intermediate U.S. Government/Credit Bond Index a market capitalization-weighted index that measures the performance of investment grade debt obligations of the U.S. Treasury and U.S. government agencies, as well as U.S. corporate and foreign debentures and secured notes, with maturities from 1 year up to (but not including) 10 years.

JPMorgan Global Government Bond Index ex U.S. (Hedged) measures the currency-hedged performance of developed government bond markets around the world, excluding the U.S.

It is not possible to invest directly in an index.

**Notes to Performance Summary**

The fund's shares may trade at a discount or premium to net asset value. When fund shares trade at a premium, buyers pay more than the net asset value underlying fund shares, and shares purchased at a premium would receive less than the amount paid for them in the event of the fund's liquidation.

The fund's monthly distributions may include a return of capital to shareholders to the extent that the fund's net investment income and net capital gains are insufficient to meet the fund's target annual distribution rate. Distributions that are treated for federal income tax purposes as a return of capital will reduce each shareholder's basis in his or her shares and, to the extent the return of capital exceeds such basis, will be treated as gain to the shareholder from a sale of shares. It may also result in a recharacterization of what economically represents a return of capital to ordinary income in those situations where a fund has long term capital gains and a capital loss carryforward. Returns of shareholder capital have the effect of reducing the fund's assets and increasing the fund's expense ratio.

The fund's target annual distribution rate is calculated based on an annual rate of 8.5% of the fund's average monthly net asset value, not a fixed share price, and the fund's dividend amount will fluctuate with changes in the fund's average monthly net assets.

Net asset values and performance results based on net asset value per share do not include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles and may differ from amounts reported in the Statement of Assets and Liabilities or the Financial Highlights.

From time to time the fund may receive proceeds from litigation settlements, without which performance would be lower.

In accordance with Section 23(c) of the Investment Company Act of 1940, the fund hereby gives notice that it may from time to time repurchase shares of the fund in the open market at the option of the Board of Trustees and on such terms as the Trustees shall determine.

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**PORTFOLIO MANAGERS PROFILES**

<b>Portfolio Manager</b>	<b>Primary Role</b>	<b>Since</b>	<b>Title and Five Year History</b>
James Calmas	Lead and  Investment Grade Debt Instruments Portfolio Manager	2002	Investment Officer of MFS; employed in the investment management area of MFS since 1988.
Erik Weisman	Sovereign Debt Instruments Portfolio Manager	2004	Investment Officer of MFS; employed in the investment management area of MFS since 2002.

*Note to Shareholders: Effective March 31, 2015, Ward Brown and Matthew Ryan are no longer Portfolio Managers of the Fund.*

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**DIVIDEND REINVESTMENT AND CASH PURCHASE PLAN**

The fund offers a Dividend Reinvestment and Cash Purchase Plan (the Plan) that allows common shareholders to reinvest either all of the distributions paid by the fund or only the long-term capital gains. Generally, purchases are made at the market price unless that price exceeds the net asset value (the shares are trading at a premium). If the shares are trading at a premium, purchases will be made at a price of either the net asset value or 95% of the market price, whichever is greater. You can also buy shares on a quarterly basis in any amount \$100 and over. The Plan Agent will purchase shares under the Cash Purchase Plan on the 15th of January, April, July, and October or shortly thereafter.

If shares are registered in your own name, new shareholders will automatically participate in the Plan, unless you have indicated that you do not wish to participate. If your shares are in the name of a brokerage firm, bank, or other nominee, you can ask the firm or nominee to participate in the Plan on your behalf. If the nominee does not offer the Plan, you may wish to request that your shares be re-registered in your own name so that you can participate. There is no service charge to reinvest distributions, nor are there brokerage charges for shares issued directly by the fund. However, when shares are bought on the New York Stock Exchange or otherwise on the open market, each participant pays a pro rata share of the transaction expenses, including commissions. Dividends and capital gains distributions are taxable whether received in cash or reinvested in additional shares the automatic reinvestment of distributions does not relieve you of any income tax that may be payable (or required to be withheld) on the distributions.

If your shares are held directly with the Plan Agent, you may withdraw from the Plan at any time by going to the Plan Agent's website at [www.computershare.com/investor](http://www.computershare.com/investor), by calling 1-800-637-2304 any business day from 9 a.m. to 5 p.m. Eastern time or by writing to the Plan Agent at P.O. Box 43078, Providence, RI 02940-3078. Please have available the name of the fund and your account number. For certain types of registrations, such as corporate accounts, instructions must be submitted in writing. Please call for additional details. When you withdraw from the Plan, you can receive the value of the reinvested shares in one of three ways: your full shares will be held in your account, the Plan Agent will sell your shares and send the proceeds to you, or you may transfer your full shares to your investment professional who can hold or sell them. Additionally, the Plan Agent will sell your fractional shares and send the proceeds to you.

If you have any questions or for further information or a copy of the Plan, contact the Plan Agent Computershare Trust Company, N.A. (the Transfer Agent for the fund) at 1-800-637-2304, at the Plan Agent's website at [www.computershare.com/investor](http://www.computershare.com/investor), or by writing to the Plan Agent at P.O. Box 43078, Providence, RI 02940-3078.

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10/31/15

The Portfolio of Investments is a complete list of all securities owned by your fund. It is categorized by broad-based asset classes.

<b>Bonds - 99.7%</b>		
<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Asset-Backed &amp; Securitized - 6.2%</b>		
AmeriCredit Automobile Receivables Trust, 2015-3, A2A, 1.07%, 1/08/19	\$ 1,690,000	\$ 1,686,636
Babson Ltd., CLO, A1, FRN, 0.54%, 1/18/21 (z)	550,490	543,540
Chesapeake Funding LLC, A, FRN, 0.943%, 11/07/23 (n)	122,164	121,679
Chesapeake Funding LLC, 2015-1A, A, FRN, 0.693%, 2/07/27 (n)	4,260,000	4,219,557
Commercial Mortgage Acceptance Corp., FRN, 2.026%, 9/15/30 (i)	1,404,736	22,161
Credit Acceptance Auto Loan Trust, 2015-2A, A, 2.4%, 2/15/23 (n)	2,126,000	2,124,328
Credit Suisse Commercial Mortgage Trust, A4, FRN, 5.948%, 9/15/39	928,484	978,160
Credit Suisse Mortgage Capital Certificate, 5.695%, 9/15/40	1,932,810	2,016,783
CWC Capital Cobalt Ltd., A4, FRN, 5.766%, 5/15/46	1,209,975	1,276,946
DT Auto Owner Trust, 0.98%, 4/16/18 (n)	863,372	861,855
Exeter Automobile Receivables Trust, 2015-2A, A, 1.54%, 11/15/19 (n)	2,481,742	2,474,400
Falcon Franchise Loan LLC, FRN, 6.62%, 1/05/23 (i)(z)	636,297	66,748
Ford Credit Auto Owner Trust, 2014-1, A, 2.26%, 11/15/25 (n)	339,000	342,073
Ford Credit Auto Owner Trust, 2014-2, A, 2.31%, 4/15/26 (n)	1,247,000	1,256,762
Ford Credit Floorplan Master Owner Trust, 2015-1, A2, FRN, 0.595%, 1/15/20	2,470,000	2,454,949
GE Dealer Floorplan Master Note Trust, 2014-1, A, FRN, 0.574%, 7/20/19	2,270,000	2,257,446
GM Financial Automobile Leasing Trust, 2014-2A, A2, 0.73%, 2/20/17 (n)	1,086,992	1,085,996
Go Financial Auto Securitization Trust, 2015-1, A, 1.81%, 3/15/18 (n)	924,880	924,234
JPMorgan Chase Commercial Mortgage Securities Corp., 5.42%, 1/15/49	1,921,372	1,985,570
JPMorgan Chase Commercial Mortgage Securities Corp., FRN, 5.475%, 4/15/43	1,796,576	1,805,163
Kingsland III Ltd., A1, CDO, FRN, 0.544%, 8/24/21 (n)	704,560	700,665
Kubota Credit Owner Trust, 2015-1A, A2, 0.94%, 12/15/17 (n)	2,102,609	2,102,002
Motor PLC, 2014-1A, A1, FRN, 0.677%, 8/25/21 (n)	590,800	589,859
Nextgear Floorplan Master Owner Trust, 2015-1A, A, 1.8%, 7/15/19 (n)	1,301,000	1,298,682
Sierra Receivables Funding Co. LLC, 2015-1A, A, 2.4%, 3/22/32 (n)	1,473,817	1,467,614
Suntrust Auto Receivables Trust, 0.99%, 6/15/18 (n)	2,430,000	2,432,489

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**Table of Contents***Portfolio of Investments continued*

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Bonds - continued</b>		
Asset-Backed & Securitized - continued		
Wachovia Bank Commercial Mortgage Trust, 5.418%, 1/15/45	\$ 47,209	\$ 47,174
		\$ 37,143,471
<b>Automotive - 5.1%</b>		
American Honda Finance Corp., FRN, 0.776%, 9/20/17	\$ 1,960,000	\$ 1,962,195
American Honda Finance Corp., FRN, 0.706%, 5/26/16 (n)	2,000,000	2,002,882
American Honda Finance Corp., FRN, 0.823%, 10/07/16	790,000	792,204
Daimler Finance North America LLC, 1.875%, 1/11/18 (n)	3,640,000	3,631,075
Daimler Finance North America LLC, 1.65%, 5/18/18 (n)	3,000,000	2,972,808
Ford Motor Credit Co. LLC, 4.207%, 4/15/16	1,970,000	1,996,615
Ford Motor Credit Co. LLC, FRN, 0.852%, 9/08/17	800,000	788,686
Ford Motor Credit Co. LLC, FRN, 1.258%, 1/09/18	1,670,000	1,657,720
Harley-Davidson Financial Services, Inc., 3.875%, 3/15/16 (n)	2,880,000	2,913,826
Hyundai Capital America, 2.4%, 10/30/18 (z)	1,480,000	1,480,327
Hyundai Capital America, 1.875%, 8/09/16 (n)	1,590,000	1,594,862
Hyundai Capital America, 2%, 3/19/18 (n)	2,313,000	2,296,585
Nissan Motor Acceptance Corp., FRN, 1.026%, 9/26/16 (n)	2,520,000	2,521,661
Nissan Motor Acceptance Corp., FRN, 0.884%, 3/03/17 (n)	1,340,000	1,337,706
Volkswagen Group of America Finance LLC, 1.65%, 5/22/18 (n)	2,310,000	2,223,745
		\$ 30,172,897
<b>Banks &amp; Diversified Financials (Covered Bonds) - 1.0%</b>		
BNP Paribas Home Loan, 2.2%, 11/02/15 (n)	\$ 2,640,000	\$ 2,640,000
Hypothekebank Frankfurt AG, 5.125%, 1/21/16	3,140,000	3,162,831
		\$ 5,802,831
<b>Broadcasting - 0.3%</b>		
Discovery Communications, Inc., 3.45%, 3/15/25	\$ 701,000	\$ 654,381
SES Global Americas Holdings GP, 2.5%, 3/25/19 (n)	910,000	903,599
		\$ 1,557,980
<b>Brokerage &amp; Asset Managers - 0.7%</b>		
CME Group, Inc., 3%, 3/15/25	\$ 1,879,000	\$ 1,868,254
Franklin Resources, Inc., 1.375%, 9/15/17	588,000	589,443
NYSE Euronext, 2%, 10/05/17	1,558,000	1,575,679
		\$ 4,033,376
<b>Building - 0.2%</b>		
CRH PLC, 8.125%, 7/15/18	\$ 1,160,000	\$ 1,340,604
<b>Business Services - 0.7%</b>		
Cisco Systems, Inc., FRN, 0.614%, 3/03/17	\$ 2,730,000	\$ 2,731,231
Fidelity National Information Services, Inc., 2.85%, 10/15/18	1,330,000	1,344,070
		\$ 4,075,301



**Table of Contents***Portfolio of Investments continued*

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Bonds - continued</b>		
<b>Cable TV - 0.9%</b>		
Cox Communications, Inc., 3.25%, 12/15/22 (n)	\$ 2,925,000	\$ 2,692,041
Time Warner Cable, Inc., 4%, 9/01/21	2,770,000	2,829,369
		\$ 5,521,410
<b>Chemicals - 0.9%</b>		
Chevron Phillips Chemical Co. LLC, 1.7%, 5/01/18 (n)	\$ 1,810,000	\$ 1,802,708
Dow Chemical Co., 8.55%, 5/15/19	2,490,000	2,994,621
LyondellBasell Industries N.V., 5%, 4/15/19	690,000	742,361
		\$ 5,539,690
<b>Computer Software - 0.5%</b>		
Microsoft Corp., 3.125%, 11/03/25	\$ 3,110,000	\$ 3,147,021
<b>Computer Software - Systems - 0.3%</b>		
Apple, Inc., FRN, 0.55%, 5/03/18	\$ 1,560,000	\$ 1,560,774
<b>Conglomerates - 0.3%</b>		
ABB Treasury Center (USA), Inc., 2.5%, 6/15/16 (n)	\$ 1,655,000	\$ 1,668,862
<b>Consumer Products - 0.7%</b>		
Newell Rubbermaid, Inc., 2.875%, 12/01/19	\$ 1,530,000	\$ 1,540,874
Reckitt Benckiser Treasury Services PLC, 3.625%, 9/21/23 (n)	2,274,000	2,338,775
		\$ 3,879,649
<b>Consumer Services - 0.5%</b>		
Experian Finance PLC, 2.375%, 6/15/17 (n)	\$ 1,154,000	\$ 1,158,355
Priceline Group, Inc., 3.65%, 3/15/25	1,879,000	1,871,589
		\$ 3,029,944
<b>Defense Electronics - 0.3%</b>		
BAE Systems Holdings, Inc., 6.375%, 6/01/19 (n)	\$ 1,400,000	\$ 1,576,732
<b>Electrical Equipment - 0.6%</b>		
Amphenol Corp., 1.55%, 9/15/17	\$ 890,000	\$ 888,728
Arrow Electronics, Inc., 3%, 3/01/18	742,000	746,752
Molex Electronic Technologies LLC, 2.878%, 4/15/20 (n)	1,703,000	1,664,003
		\$ 3,299,483
<b>Electronics - 0.3%</b>		
Lam Research Corp., 2.75%, 3/15/20	\$ 1,152,000	\$ 1,131,074
Tyco Electronics Group S.A., 2.375%, 12/17/18	623,000	627,719
		\$ 1,758,793

**Table of Contents***Portfolio of Investments continued*

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Bonds - continued</b>		
Emerging Market Quasi-Sovereign - 2.3%		
CNPC (HK) Overseas Capital Ltd., 4.5%, 4/28/21 (n)	\$ 1,090,000	\$ 1,160,034
Corporacion Financiera de Desarrollo S.A., 3.25%, 7/15/19 (z)	1,337,000	1,337,000
Corporacion Financiera de Desarrollo S.A., 4.75%, 2/08/22 (n)	228,000	236,368
Corporacion Nacional del Cobre de Chile, 3.75%, 11/04/20 (n)	840,000	855,819
Empresa Nacional del Petroleo, 6.25%, 7/08/19	723,000	791,259
Korea Gas Corp., 2.25%, 7/25/17 (n)	1,630,000	1,643,508
Petroleos Mexicanos, 6%, 3/05/20	2,970,000	3,225,242
Ras Laffan Liquefied Natural Gas Co. Ltd., 6.75%, 9/30/19 (n)	1,584,000	1,858,827
Sinopec Capital (2013) Ltd., 3.125%, 4/24/23 (n)	1,466,000	1,410,780
State Grid International Development Co. Ltd., 1.75%, 5/22/18 (n)	1,330,000	1,323,329
		\$ 13,842,166
Emerging Market Sovereign - 1.0%		
Republic of Poland, 5%, 3/23/22	\$ 772,000	\$ 869,542
Republic of Slovakia, 4.375%, 5/21/22 (n)	2,960,000	3,330,355
United Mexican States, 3.625%, 3/15/22	1,754,000	1,796,096
		\$ 5,995,993
Energy - Independent - 0.5%		
Anadarko Petroleum Corp., 6.375%, 9/15/17	\$ 1,700,000	\$ 1,830,514
Hess Corp., 8.125%, 2/15/19	1,230,000	1,428,630
		\$ 3,259,144
Energy - Integrated - 1.8%		
BG Energy Capital PLC, 2.875%, 10/15/16 (n)	\$ 2,320,000	\$ 2,353,550
BP Capital Markets PLC, 4.5%, 10/01/20	853,000	935,889
BP Capital Markets PLC, 4.742%, 3/11/21	1,810,000	2,010,492
LUKOIL International Finance B.V., 3.416%, 4/24/18 (n)	1,619,000	1,577,975
LUKOIL International Finance B.V., 4.563%, 4/24/23 (n)	2,192,000	2,032,817
Petro-Canada, 6.05%, 5/15/18	904,000	989,531
Total Capital International S.A., 1.5%, 2/17/17	1,000,000	1,005,693
		\$ 10,905,947
Financial Institutions - 0.8%		
GE Capital International Funding Co., 2.342%, 11/15/20 (z)	\$ 984,000	\$ 986,824
GE Capital International Funding Co., 3.373%, 11/15/25 (z)	820,000	828,968
General Electric Capital Corp., 6%, 8/07/19	338,000	387,613
General Electric Capital Corp., 3.1%, 1/09/23	316,000	319,865
LeasePlan Corp. N.V., 3%, 10/23/17 (n)	1,970,000	1,995,614
LeasePlan Corp. N.V., 2.5%, 5/16/18 (n)	466,000	462,688
		\$ 4,981,572

**Table of Contents***Portfolio of Investments continued*

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Bonds - continued</b>		
<b>Food &amp; Beverages - 2.6%</b>		
Diageo Capital PLC, 1.5%, 5/11/17	\$ 1,530,000	\$ 1,534,048
Grupo Bimbo S.A.B. de C.V., 4.5%, 1/25/22 (n)	290,000	302,043
H.J. Heinz Co., 1.6%, 6/30/17 (n)	2,090,000	2,091,528
Kerry Group Financial Services, 3.2%, 4/09/23 (n)	2,850,000	2,766,903
Kraft Foods Group, Inc., 6.125%, 8/23/18	2,380,000	2,643,825
Mead Johnson Nutrition Co., 3%, 11/15/20	669,000	671,705
Tyson Foods, Inc., 4.5%, 6/15/22	1,447,000	1,538,754
Want Want China Finance Co., 1.875%, 5/14/18 (n)	1,430,000	1,407,858
Wm. Wrigley Jr. Co., 2.4%, 10/21/18 (n)	613,000	622,756
Wm. Wrigley Jr. Co., 3.375%, 10/21/20 (n)	1,876,000	1,944,384
		\$ 15,523,804
<b>Food &amp; Drug Stores - 0.7%</b>		
CVS Health Corp., 3.875%, 7/20/25	\$ 2,800,000	\$ 2,879,932
Walgreens Boots Alliance, Inc., 3.3%, 11/18/21	1,522,000	1,521,037
		\$ 4,400,969
<b>Gaming &amp; Lodging - 0.8%</b>		
Wyndham Worldwide Corp., 2.95%, 3/01/17	\$ 1,686,000	\$ 1,706,652
Wyndham Worldwide Corp., 5.625%, 3/01/21	2,890,000	3,116,414
		\$ 4,823,066
<b>Industrial - 0.5%</b>		
Princeton University, 4.95%, 3/01/19	\$ 2,860,000	\$ 3,151,694
<b>Insurance - 2.3%</b>		
AIA Group Ltd., 3.2%, 3/11/25 (n)	\$ 1,924,000	\$ 1,855,261
American International Group, Inc., 3.75%, 7/10/25	2,808,000	2,852,889
Metropolitan Life Global Funding I, 2%, 4/14/20 (n)	1,600,000	1,586,000
Principal Financial Group, Inc., 8.875%, 5/15/19	2,230,000	2,705,280
Unum Group, 4%, 3/15/24	2,863,000	2,915,347
UnumProvident Corp., 6.85%, 11/15/15 (n)	890,000	891,639
Voya Financial, Inc., 2.9%, 2/15/18	1,141,000	1,164,462
		\$ 13,970,878
<b>Insurance - Health - 0.5%</b>		
UnitedHealth Group, Inc., 3.75%, 7/15/25	\$ 2,800,000	\$ 2,919,588
<b>Insurance - Property &amp; Casualty - 2.3%</b>		
ACE Ltd., 2.6%, 11/23/15	\$ 2,000,000	\$ 2,002,124
Allied World Assurance Co. Holdings Ltd., 4.35%, 10/29/25	3,110,000	3,088,040
AXIS Capital Holdings Ltd., 5.875%, 6/01/20	1,610,000	1,801,493
Liberty Mutual Group, Inc., 4.95%, 5/01/22 (n)	2,197,000	2,367,746
Marsh & McLennan Cos., Inc., 2.35%, 9/10/19	1,260,000	1,264,116

**Table of Contents***Portfolio of Investments continued*

Issuer	Shares/Par	Value (\$)
<b>Bonds - continued</b>		
<b>Insurance - Property &amp; Casualty - continued</b>		
ZFS Finance USA Trust V, 6.5% to 5/09/17, FRN to 5/09/67 (n)	\$ 3,000,000	\$ 3,067,500
		\$ 13,591,019
<b>International Market Quasi-Sovereign - 1.9%</b>		
Bank Nederlandse Gemeenten N.V., 1.375%, 3/19/18 (n)	\$ 1,746,000	\$ 1,754,241
Dexia Credit Local S.A., 2.25%, 1/30/19 (n)	3,280,000	3,329,958
Electricite de France, 2.15%, 1/22/19 (n)	1,784,000	1,785,620
Statoil A.S.A., 1.8%, 11/23/16	1,420,000	1,433,090
Statoil A.S.A., FRN, 0.61%, 5/15/18	2,887,000	2,855,281
		\$ 11,158,190
<b>International Market Sovereign - 16.3%</b>		
Commonwealth of Australia, 5.75%, 5/15/21	AUD 3,836,000	\$ 3,249,552
Federal Republic of Germany, 3.25%, 7/04/21	EUR 1,200,000	1,564,753
Federal Republic of Germany, 1.75%, 2/15/24	EUR 4,050,000	4,979,997
Government of Canada, 4.25%, 6/01/18	CAD 505,000	422,186
Government of Canada, 3.25%, 6/01/21	CAD 1,579,000	1,354,443
Government of Canada, 2.5%, 6/01/24	CAD 2,343,000	1,942,543
Government of Japan, 1.1%, 6/20/20	JPY 800,000,000	6,953,974
Government of Japan, 0.8%, 6/20/23	JPY 340,000,000	2,959,750
Government of Japan, 2.1%, 9/20/24	JPY 220,000,000	2,122,771
Government of New Zealand, 5.5%, 4/15/23	NZD 2,664,000	2,099,542
Government of Norway, 3.75%, 5/25/21	NOK 6,400,000	859,434
Government of Norway, 3%, 3/14/24	NOK 7,844,000	1,031,181
Kingdom of Belgium, 4.25%, 9/28/21	EUR 404,000	550,876
Kingdom of Belgium, 2.6%, 6/22/24	EUR 2,845,000	3,644,239
Kingdom of Denmark, 3%, 11/15/21	DKK 4,447,000	760,118
Kingdom of Denmark, 1.5%, 11/15/23	DKK 4,198,000	663,319
Kingdom of Spain, 5.4%, 1/31/23	EUR 1,925,000	2,723,298
Kingdom of Spain, 5.5%, 7/30/17	EUR 711,000	856,195
Kingdom of Spain, 4.6%, 7/30/19	EUR 4,110,000	5,223,214
Kingdom of Sweden, 5%, 12/01/20	SEK 6,500,000	953,396
Kingdom of Sweden, 3.5%, 6/01/22	SEK 4,235,000	600,649
Kingdom of the Netherlands, 4%, 7/15/16	EUR 2,000,000	2,265,060
Kingdom of the Netherlands, 2%, 7/15/24	EUR 1,251,000	1,546,956
Republic of Austria, 1.75%, 10/20/23	EUR 210,000	254,099
Republic of France, 2.5%, 10/25/20	EUR 1,500,000	1,847,610
Republic of France, 5%, 10/25/16	EUR 9,214,000	10,653,985
Republic of Iceland, 4.875%, 6/16/16 (n)	\$ 702,000	719,550
Republic of Italy, 5.25%, 8/01/17	EUR 11,388,000	13,661,042
Republic of Italy, 3.75%, 3/01/21	EUR 2,600,000	3,313,726
Republic of Italy, 5.5%, 9/01/22	EUR 2,969,000	4,221,793
United Kingdom Treasury, 8%, 6/07/21	GBP 2,500,000	5,232,311

**Table of Contents***Portfolio of Investments continued*

Issuer	Shares/Par	Value (\$)
<b>Bonds - continued</b>		
<b>International Market Sovereign - continued</b>		
United Kingdom Treasury, 2.25%, 9/07/23	GBP 4,750,000	\$ 7,614,263
		\$ 96,845,825
<b>Internet - 0.5%</b>		
Baidu, Inc., 3.25%, 8/06/18	\$ 1,709,000	\$ 1,744,889
Baidu, Inc., 2.75%, 6/09/19	1,510,000	1,502,403
		\$ 3,247,292
<b>Local Authorities - 0.5%</b>		
Province of Ontario, 4.75%, 1/19/16	\$ 3,000,000	\$ 3,026,790
<b>Machinery &amp; Tools - 0.1%</b>		
Atlas Copco AB, 5.6%, 5/22/17 (n)	\$ 510,000	\$ 538,437
<b>Major Banks - 12.4%</b>		
ABN AMRO Bank N.V., 4.25%, 2/02/17 (n)	\$ 1,997,000	\$ 2,064,139
ABN AMRO Bank N.V., 1.8%, 6/04/18 (n)	1,450,000	1,444,570
ABN AMRO Bank N.V., FRN, 0.742%, 6/06/16 (n)	2,090,000	2,090,130
Bank of America Corp., 6.5%, 8/01/16	1,420,000	1,477,753
Bank of America Corp., 6.875%, 4/25/18	1,000,000	1,116,157
Bank of America Corp., 4.125%, 1/22/24	2,876,000	2,994,905
Bank of America Corp., FRN, 0.617%, 6/15/16	2,200,000	2,195,428
Barclays Bank PLC, 2.5%, 2/20/19	3,080,000	3,127,657
BNP Paribas, 2.7%, 8/20/18	1,200,000	1,226,645
BNP Paribas, FRN, 0.814%, 3/17/17	2,660,000	2,657,518
Commonwealth Bank of Australia, 5%, 10/15/19 (n)	2,560,000	2,824,540
Credit Suisse Group AG, 6.5%, 8/08/23 (n)	2,480,000	2,715,600
Credit Suisse New York, 1.75%, 1/29/18	1,440,000	1,443,884
DBS Bank Ltd., 2.35%, 2/28/17 (n)	1,830,000	1,852,191
DNB Bank A.S.A., 3.2%, 4/03/17 (n)	2,220,000	2,276,441
Goldman Sachs Group, Inc., 5.75%, 1/24/22	3,044,000	3,488,144
Goldman Sachs Group, Inc., FRN, 1.496%, 4/30/18	1,240,000	1,251,392
Goldman Sachs Group, Inc., FRN, 1.336%, 10/23/19	140,000	140,240
Huntington National Bank, FRN, 0.744%, 4/24/17	2,460,000	2,444,613
ING Bank N.V., 1.8%, 3/16/18 (n)	660,000	659,981
ING Bank N.V., 5.8%, 9/25/23 (n)	2,912,000	3,201,284
JPMorgan Chase & Co., 2.2%, 10/22/19	2,090,000	2,083,157
JPMorgan Chase & Co., 4.625%, 5/10/21	2,890,000	3,147,435
Mizuho Bank Ltd., FRN, 1.507%, 10/20/18 (z)	2,770,000	2,789,254
Morgan Stanley, 6.625%, 4/01/18	1,532,000	1,701,844
Morgan Stanley, 5.625%, 9/23/19	640,000	713,080
Morgan Stanley, 3.7%, 10/23/24	1,816,000	1,839,107
Morgan Stanley, FRN, 1.579%, 2/25/16	1,900,000	1,905,043

**Table of Contents***Portfolio of Investments continued*

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Bonds - continued</b>		
<b>Major Banks - continued</b>		
Morgan Stanley, FRN, 1.056%, 7/23/19	\$ 1,070,000	\$ 1,058,149
Nordea Bank AB, FRN, 0.774%, 5/13/16 (n)	1,492,000	1,494,166
PNC Bank N.A., 1.5%, 10/18/17	1,600,000	1,601,237
PNC Bank N.A., 1.6%, 6/01/18	2,340,000	2,335,732
Royal Bank of Canada, FRN, 0.793%, 9/09/16	3,000,000	3,005,364
Sumitomo Mitsui Banking Corp., FRN, 0.64%, 7/11/17	1,720,000	1,710,206
Wells Fargo & Co., FRN, 0.592%, 9/08/17	3,110,000	3,097,190
Westpac Banking Corp., 2%, 8/14/17	2,320,000	2,343,998
		\$ 73,518,174
<b>Medical &amp; Health Technology &amp; Services - 1.1%</b>		
Becton, Dickinson and Co., 1.8%, 12/15/17	\$ 1,870,000	\$ 1,879,960
Laboratory Corp. of America Holdings, 2.625%, 2/01/20	1,250,000	1,247,576
Thermo Fisher Scientific, Inc., 2.25%, 8/15/16	3,650,000	3,678,463
		\$ 6,805,999
<b>Metals &amp; Mining - 1.7%</b>		
Barrick Gold Corp., 4.1%, 5/01/23	\$ 2,731,000	\$ 2,536,678
Freeport-McMoRan Copper & Gold, Inc., 2.375%, 3/15/18	1,090,000	997,350
Freeport-McMoRan Copper & Gold, Inc., 3.1%, 3/15/20	1,740,000	1,529,112
Glencore Funding LLC, 2.125%, 4/16/18 (n)	1,270,000	1,108,075
Glencore Funding LLC, FRN, 1.487%, 5/27/16 (n)	2,300,000	2,246,157
Kinross Gold Corp., 5.95%, 3/15/24	1,897,000	1,557,775
		\$ 9,975,147
<b>Midstream - 2.1%</b>		
APT Pipelines Ltd., 4.2%, 3/23/25 (n)	\$ 2,246,000	\$ 2,166,516
Energy Transfer Partners LP, 4.05%, 3/15/25	2,807,000	2,469,865
Kinder Morgan Energy Partners LP, 3.5%, 3/01/21	1,854,000	1,756,572
ONEOK Partners LP, 3.2%, 9/15/18	1,510,000	1,515,927
Spectra Energy Capital LLC, 8%, 10/01/19	1,299,000	1,493,102
Sunoco Logistics Partners LP, 4.25%, 4/01/24	774,000	697,162
TransCanada PipeLines Ltd., 1.875%, 1/12/18	940,000	942,861
TransCanada PipeLines Ltd., FRN, 1.006%, 6/30/16	790,000	789,564
Williams Cos., Inc., 3.7%, 1/15/23	807,000	658,706
		\$ 12,490,275
<b>Mortgage-Backed - 2.3%</b>		
Fannie Mae, 5.404%, 2/01/16	\$ 372,795	\$ 374,436
Fannie Mae, 6%, 11/01/16	34,906	35,445
Fannie Mae, 1.114%, 2/25/17	2,050,708	2,060,255
Fannie Mae, 5.5%, 9/01/17 - 4/01/25	700,329	757,492
Fannie Mae, 4.5%, 3/01/19	712,792	739,287
Fannie Mae, 5%, 5/01/19 - 12/01/20	175,717	183,608

**Table of Contents***Portfolio of Investments continued*

Issuer	Shares/Par	Value (\$)
<b>Bonds - continued</b>		
<b>Mortgage-Backed - continued</b>		
Fannie Mae, 6.5%, 11/01/31	\$ 1,197,464	\$ 1,421,099
Fannie Mae, FRN, 0.494%, 12/25/17	1,112,502	1,113,031
Freddie Mac, 6%, 8/01/17 - 8/01/34	131,677	139,308
Freddie Mac, 5.5%, 9/01/17 - 6/01/20	784,165	833,464
Freddie Mac, 3.882%, 11/25/17	1,423,992	1,491,700
Freddie Mac, 5%, 6/01/19	469,114	491,826
Freddie Mac, 4.224%, 3/25/20	2,249,154	2,466,140
Ginnie Mae, 6%, 6/15/33 - 10/15/36	824,115	946,393
Ginnie Mae, 6.357%, 4/20/58	363,105	376,500
		\$ 13,429,984
<b>Network &amp; Telecom - 1.9%</b>		
AT&T, Inc., FRN, 1.237%, 11/27/18	\$ 2,940,000	\$ 2,942,464
British Telecommunications PLC, 2.35%, 2/14/19	1,330,000	1,335,406
Verizon Communications, Inc., 1.35%, 6/09/17	1,130,000	1,131,208
Verizon Communications, Inc., 6.1%, 4/15/18	1,300,000	1,430,858
Verizon Communications, Inc., 5.15%, 9/15/23	3,027,000	3,373,912
Verizon Communications, Inc., FRN, 1.104%, 6/17/19	1,250,000	1,244,990
		\$ 11,458,838
<b>Oils - 0.2%</b>		
Marathon Petroleum Corp., 3.625%, 9/15/24	\$ 1,003,000	\$ 976,691
<b>Other Banks &amp; Diversified Financials - 7.6%</b>		
Banco de Credito e Inversiones, 3%, 9/13/17 (n)	\$ 200,000	\$ 203,227
Banco Santander Chile, FRN, 1.22%, 4/11/17 (n)	3,410,000	3,361,275
Bank of Tokyo-Mitsubishi UFJ Ltd., FRN, 0.943%, 9/09/16 (n)	2,870,000	2,872,442
Banque Federative du Credit Mutuel, FRN, 1.173%, 10/28/16 (n)	2,490,000	2,498,010
Banque Federative du Credit Mutuel, FRN, 1.167%, 1/20/17 (n)	960,000	964,557
Capital One Bank (USA) N.A., FRN, 0.983%, 2/05/18	2,650,000	2,638,234
Capital One Financial Corp., FRN, 0.941%, 11/06/15	1,160,000	1,160,019
Citigroup, Inc., 8.5%, 5/22/19	1,960,000	2,366,304
Discover Bank, 3.1%, 6/04/20	1,152,000	1,165,463
Fifth Third Bancorp, 1.35%, 6/01/17	2,570,000	2,571,074
Fifth Third Bancorp, 2.3%, 3/01/19	795,000	796,743
First Republic Bank, 2.375%, 6/17/19	578,000	576,913
Groupe BPCE S.A., 12.5% to 2019, FRN to 8/29/49 (n)	2,556,000	3,316,410
Intesa Sanpaolo S.p.A., 2.375%, 1/13/17	880,000	884,545
Intesa Sanpaolo S.p.A., 3.875%, 1/16/18	1,752,000	1,808,399
Lloyds Bank PLC, 2.3%, 11/27/18	780,000	789,461
Lloyds TSB Bank PLC, 5.8%, 1/13/20 (n)	2,080,000	2,359,683
Rabobank Nederland N.V., 3.375%, 1/19/17	1,757,000	1,803,798
Skandinaviska Enskilda Banken AB, 2.45%, 5/27/20 (n)	1,810,000	1,818,516
Svenska Handelsbanken AB, FRN, 0.795%, 3/21/16	1,250,000	1,251,441

**Table of Contents***Portfolio of Investments continued*

Issuer	Shares/Par	Value (\$)
<b>Bonds - continued</b>		
<b>Other Banks &amp; Diversified Financials - continued</b>		
Svenska Handelsbanken AB, FRN, 0.796%, 9/23/16	\$ 2,940,000	\$ 2,945,892
Swedbank AB, 2.125%, 9/29/17 (n)	3,568,000	3,606,823
UBS AG, FRN, 0.689%, 8/14/17	1,470,000	1,462,715
UBS Group Funding Ltd., FRN, 1.766%, 9/24/20 (z)	1,680,000	1,680,400
		\$ 44,902,344
<b>Pharmaceuticals - 3.3%</b>		
AbbVie, Inc., 1.8%, 5/14/18	\$ 2,410,000	\$ 2,411,933
Actavis Funding SCS, 3%, 3/12/20	3,625,000	3,637,278
Actavis Funding SCS, 3.45%, 3/15/22	3,000,000	2,980,638
Biogen, Inc., 2.9%, 9/15/20	1,420,000	1,432,489
Celgene Corp., 2.125%, 8/15/18	2,220,000	2,236,967
EMD Finance LLC, 1.7%, 3/19/18 (n)	2,500,000	2,505,758
Gilead Sciences, Inc., 3.65%, 3/01/26	3,740,000	3,781,170
Mylan, Inc., 1.8%, 6/24/16	770,000	769,492
		\$ 19,755,725
<b>Pollution Control - 0.5%</b>		
Republic Services, Inc., 5.25%, 11/15/21	\$ 2,620,000	\$ 2,921,601
<b>Real Estate - Healthcare - 0.3%</b>		
Health Care REIT, Inc., 2.25%, 3/15/18	\$ 828,000	\$ 830,646
Ventas Realty LP, REIT, 1.55%, 9/26/16	1,000,000	1,004,331
		\$ 1,834,977
<b>Real Estate - Office - 0.5%</b>		
Boston Properties LP, REIT, 3.7%, 11/15/18	\$ 1,476,000	\$ 1,541,818
Vornado Realty LP, REIT, 2.5%, 6/30/19	1,169,000	1,163,095
		\$ 2,704,913
<b>Real Estate - Retail - 0.3%</b>		
Kimco Realty Corp., REIT, 6.875%, 10/01/19	\$ 690,000	\$ 800,568
WEA Finance LLC/Westfield Co., REIT, 1.75%, 9/15/17 (n)	770,000	767,527
		\$ 1,568,095
<b>Retailers - 0.5%</b>		
Dollar General Corp., 1.875%, 4/15/18	\$ 275,000	\$ 273,975
Dollar General Corp., 4.15%, 11/01/25	1,364,000	1,355,051
Wesfarmers Ltd., 1.874%, 3/20/18 (n)	1,119,000	1,118,972
		\$ 2,747,998
<b>Specialty Chemicals - 0.5%</b>		
Airgas, Inc., 2.95%, 6/15/16	\$ 1,900,000	\$ 1,917,471
Airgas, Inc., 3.05%, 8/01/20	870,000	880,181
		\$ 2,797,652



**Table of Contents***Portfolio of Investments continued*

<b>Issuer</b>	<b>Shares/Par</b>	<b>Value (\$)</b>
<b>Bonds - continued</b>		
<b>Supermarkets - 0.3%</b>		
Kroger Co., 3.85%, 8/01/23	\$ 1,489,000	\$ 1,545,805
<b>Supranational - 0.9%</b>		
Banco Latinoamericano de Comercio Exterior S.A., 3.25%, 5/07/20 (n)	\$ 1,900,000	\$ 1,883,375
Corporacion Andina de Fomento, 4.375%, 6/15/22	2,950,000	3,181,280
		\$ 5,064,655
<b>Telecommunications - Wireless - 1.0%</b>		
America Movil S.A.B. de C.V., 2.375%, 9/08/16	\$ 1,007,000	\$ 1,015,928
American Tower Trust I, REIT, 1.551%, 3/15/18 (n)	1,540,000	1,523,287
Rogers Communications, Inc., 6.8%, 8/15/18	1,490,000	1,683,116
SBA Tower Trust, 2.898%, 10/15/44 (n)	1,920,000	1,908,883
		\$ 6,131,214
<b>Telephone Services - 0.2%</b>		
Qwest Corp., 6.5%, 6/01/17	\$ 1,200,000	\$ 1,272,000
<b>Tobacco - 0.7%</b>		
Reynolds American, Inc., 8.125%, 6/23/19 (n)	\$ 1,316,000	\$ 1,556,083
Reynolds American, Inc., 6.875%, 5/01/20 (n)	1,340,000	1,550,789
Reynolds American, Inc., 3.25%, 6/12/20	1,140,000	1,167,911
		\$ 4,274,783
<b>Transportation - Services - 0.6%</b>		
ERAC USA Finance Co., 2.75%, 3/15/17 (n)	\$ 1,247,000	\$ 1,269,286
TTX Co., 2.6%, 6/15/20 (n)	2,450,000	2,436,792
		\$ 3,706,078
<b>U.S. Government Agencies and Equivalents - 1.0%</b>		
Aid-Ukraine, 1.847%, 5/29/20	\$ 2,500,000	\$ 2,517,398
National Credit Union Administration Guaranteed Note, 2.9%, 10/29/20	402,550	404,795
Small Business Administration, 6.35%, 4/01/21	246,591	270,188
Small Business Administration, 6.34%, 5/01/21	207,122	225,580
Small Business Administration, 6.44%, 6/01/21	204,402	223,049
Small Business Administration, 6.625%, 7/01/21	218,160	238,757
Small Business Administration, 5.34%, 11/01/21	653,005	699,198
Small Business Administration, 4.93%, 1/01/24	391,545	423,353
Small Business Administration, 5.36%, 11/01/25	613,344	670,130
Small Business Administration, 5.39%, 12/01/25	436,542	481,503
		\$ 6,153,951

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*Portfolio of Investments continued*

Issuer	Shares/Par	Value (\$)
<b>Bonds - continued</b>		
Utilities - Electric Power - 4.9%		
Dominion Resources, Inc., 3.9%, 10/01/25	\$ 2,641,000	\$ 2,677,097
Dominion Resources, Inc., 1.95%, 8/15/16	2,660,000	2,675,604
E.ON International Finance B.V., 5.8%, 4/30/18 (n)	3,000,000	3,250,425
Empresa Nacional de Electricidad S.A., 4.25%, 4/15/24	710,000	724,591
Enel Finance International S.A., 6.25%, 9/15/17 (n)	2,240,000	2,420,056
Exelon Generation Co. LLC, 5.2%, 10/01/19	1,340,000	1,452,878
Exelon Generation Co. LLC, 4.25%, 6/15/22	1,040,000	1,059,752
NextEra Energy Capital Holdings, Inc., 2.056%, 9/01/17	2,727,000	2,740,133
Oncor Electric Delivery Co., 4.1%, 6/01/22	2,206,000	2,309,980
PG&E Corp., 2.4%, 3/01/19	1,448,000	1,456,210
PPL WEM Holdings PLC, 3.9%, 5/01/16 (n)	2,800,000	2,832,544
PPL WEM Holdings PLC, 5.375%, 5/01/21 (n)	546,000	603,713
Southern Co., 2.45%, 9/01/18	2,280,000	2,306,075
Transelec S.A., 4.625%, 7/26/23 (n)	927,000	946,130
Transelec S.A., 4.25%, 1/14/25 (n)	228,000	228,912
Xcel Energy, Inc., 1.2%, 6/01/17	1,500,000	1,495,130
		\$ 29,179,230
<b>Total Bonds (Identified Cost, \$595,981,726)</b>		<b>\$ 592,507,321</b>
<b>Money Market Funds - 0.0%</b>		
MFS Institutional Money Market Portfolio, 0.12%, at Cost and Net Asset Value (v)	777	\$ 777
<b>Total Investments (Identified Cost, \$595,982,503)</b>		<b>\$ 592,508,098</b>
<b>Other Assets, Less Liabilities - 0.3%</b>		1,984,066
<b>Net Assets - 100.0%</b>		<b>\$ 594,492,164</b>

- (i) Interest only security for which the fund receives interest on notional principal (Par amount). Par amount shown is the notional principal and does not reflect the cost of the security.
- (n) Securities exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be sold in the ordinary course of business in transactions exempt from registration, normally to qualified institutional buyers. At period end, the aggregate value of these securities was \$181,162,773 representing 30.5% of net assets.
- (v) Underlying affiliated fund that is available only to investment companies managed by MFS. The rate quoted for the MFS Institutional Money Market Portfolio is the annualized seven-day yield of the fund at period end.

**Table of Contents***Portfolio of Investments continued*

(z) Restricted securities are not registered under the Securities Act of 1933 and are subject to legal restrictions on resale. These securities generally may be resold in transactions exempt from registration or to the public if the securities are subsequently registered. Disposal of these securities may involve time-consuming negotiations and prompt sale at an acceptable price may be difficult. The fund holds the following restricted securities:

	<b>Acquisition</b>		
<b>Restricted Securities</b>	<b>Date</b>	<b>Cost</b>	<b>Value</b>
Babson Ltd., CLO, A1, FRN, 0.54%, 1/18/21	6/24/14	\$546,641	\$543,540
Corporacion Financiera de Desarrollo S.A., 3.25%, 7/15/19	7/07/15	1,331,602	1,337,000
Falcon Franchise Loan LLC, FRN, 6.62%, 1/05/23	1/18/02	93,133	66,748
GE Capital International Funding Co., 2.342%, 11/15/20	8/04/09-10/19/15	983,604	986,824
GE Capital International Funding Co., 3.373%, 11/15/25	1/03/13-10/19/15	819,031	828,968
Hyundai Capital America, 2.4%, 10/30/18	10/27/15	1,479,823	1,480,327
Mizuho Bank Ltd., FRN, 1.507%, 10/20/18	10/13/15	2,770,000	2,789,254
UBS Group Funding Ltd., FRN, 1.766%, 9/24/20	9/21/15	1,680,000	1,680,400
<b>Total Restricted Securities</b>			<b>\$9,713,061</b>
% of Net assets			1.6%

The following abbreviations are used in this report and are defined:

CDO	Collateralized Debt Obligation
CLO	Collateralized Loan Obligation
FRN	Floating Rate Note. Interest rate resets periodically and the current rate may not be the rate reported at period end.
PLC	Public Limited Company
REIT	Real Estate Investment Trust

Abbreviations indicate amounts shown in currencies other than the U.S. dollar. All amounts are stated in U.S. dollars unless otherwise indicated. A list of abbreviations is shown below:

AUD	Australian Dollar
CAD	Canadian Dollar
DKK	Danish Krone
EUR	Euro
GBP	British Pound
JPY	Japanese Yen
NOK	Norwegian Krone
NZD	New Zealand Dollar
SEK	Swedish Krona

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*Portfolio of Investments continued*

**Derivative Contracts at 10/31/15**

**Forward Foreign Currency Exchange Contracts at 10/31/15**

Type	Currency	Counter-party	Contracts to Deliver/Receive	Settlement Date Range	In Exchange For	Contracts at Value	Net Unrealized Appreciation (Depreciation)
<b>Asset Derivatives</b>							
SELL	AUD	Westpac Banking Corp.	4,469,012	1/15/16	\$3,210,360	\$3,175,348	\$35,012
SELL	DKK	Goldman Sachs International	9,466,576	1/15/16	1,433,020	1,398,896	34,124
SELL	EUR			12/17/15 -			
		Deutsche Bank AG	25,135,754	1/15/16	28,509,001	27,660,468	848,533
SELL	EUR	Goldman Sachs International	27,276,947	1/15/16	30,776,770	30,036,297	740,473
SELL	JPY	Credit Suisse Group	1,396,213,134	1/15/16	11,664,319	11,587,338	76,981
SELL	NOK	Goldman Sachs International	16,602,437	1/15/16	1,995,262	1,951,811	43,451
SELL	SEK	Goldman Sachs International	11,649,976	1/15/16	1,416,177	1,366,165	50,012
							\$1,828,586
<b>Liability Derivatives</b>							
SELL	CAD	Merrill Lynch International	4,854,367	1/15/16	\$3,702,783	\$3,711,037	\$(8,254)
SELL	GBP	BNP Paribus S.A.	9,405,477	1/15/16	14,312,051	14,495,796	(183,745)
SELL	NZD	Westpac Banking Corp.	3,052,658	1/15/16	2,011,473	2,056,251	(44,778)
							\$(236,777)

**Futures Contracts at 10/31/15**

Description	Currency	Contracts	Value	Expiration Date	Unrealized Appreciation (Depreciation)
<b>Asset Derivatives</b>					
<i>Interest Rate Futures</i>					
U.S. Treasury Note 10 yr (Long)	USD	240	\$30,645,000	December - 2015	\$96,660

At October 31, 2015, the fund had cash collateral of \$356,400 to cover any commitments for certain derivative contracts. Cash collateral is comprised of Deposits with brokers in the Statement of Assets and Liabilities.

See Notes to Financial Statements

**Table of Contents***Financial Statements***STATEMENT OF ASSETS AND LIABILITIES**

At 10/31/15

This statement represents your fund's balance sheet, which details the assets and liabilities comprising the total value of the fund.

<b>Assets</b>	
Investments	
Non-affiliated issuers, at value (identified cost, \$595,981,726)	\$592,507,321
Underlying affiliated funds, at cost and value	777
Total investments, at value (identified cost, \$595,982,503)	\$592,508,098
Deposits with brokers	356,400
Receivables for	
Forward foreign currency exchange contracts	1,828,586
Daily variation margin on open futures contracts	18,750
Investments sold	661,439
Interest	4,362,287
Other assets	19,162
Total assets	\$599,754,722
<b>Liabilities</b>	
Payable to custodian	\$172,078
Payables for	
Distributions	169,711
Forward foreign currency exchange contracts	236,777
Investments purchased	4,437,166
Payable to affiliates	
Investment adviser	27,422
Transfer agent and dividend disbursing costs	16,007
Payable for independent Trustees' compensation	33,312
Accrued expenses and other liabilities	170,085
Total liabilities	\$5,262,558
Net assets	\$594,492,164
<b>Net assets consist of</b>	
Paid-in capital	\$621,853,549
Unrealized appreciation (depreciation) on investments and translation of assets and liabilities in foreign currencies	(1,800,320)
Accumulated net realized gain (loss) on investments and foreign currency	(22,374,954)
Accumulated distributions in excess of net investment income	(3,186,111)
Net assets	\$594,492,164
Shares of beneficial interest outstanding	117,738,574
Net asset value per share (net assets of \$594,492,164 / 117,738,574 shares of beneficial interest outstanding)	\$5.05

**See Notes to Financial Statements**

**Table of Contents***Financial Statements***STATEMENT OF OPERATIONS**

Year ended 10/31/15

This statement describes how much your fund earned in investment income and accrued in expenses. It also describes any gains and/or losses generated by fund operations.

<b>Net investment income</b>	
Income	
Interest	\$17,687,620
Dividends from underlying affiliated funds	13,060
Foreign taxes withheld	(286)
Total investment income	\$17,700,394
Expenses	
Management fee	\$3,094,253
Transfer agent and dividend disbursing costs	117,496
Administrative services fee	108,026
Independent Trustees compensation	104,511
Stock exchange fee	110,283
Custodian fee	77,032
Shareholder communications	238,301
Audit and tax fees	78,200
Legal fees	14,832
Miscellaneous	37,311
Total expenses	\$3,980,245
Fees paid indirectly	(195)
Net expenses	\$3,980,050
Net investment income	\$13,720,344
<b>Realized and unrealized gain (loss) on investments and foreign currency</b>	
Realized gain (loss) (identified cost basis)	
Investments	\$3,881,418
Futures contracts	(832,660)
Foreign currency	10,739,525
Net realized gain (loss) on investments and foreign currency	\$13,788,283
Change in unrealized appreciation (depreciation)	
Investments	\$(21,196,377)
Futures contracts	261,855
Translation of assets and liabilities in foreign currencies	(189,952)
Net unrealized gain (loss) on investments and foreign currency translation	\$(21,124,474)
Net realized and unrealized gain (loss) on investments and foreign currency	\$(7,336,191)
Change in net assets from operations	\$6,384,153

**See Notes to Financial Statements**

**Table of Contents***Financial Statements***STATEMENTS OF CHANGES IN NET ASSETS**

These statements describe the increases and/or decreases in net assets resulting from operations, any distributions, and any shareholder transactions.

	<b>Years ended 10/31</b>	
	<b>2015</b>	<b>2014</b>
<b>Change in net assets</b>		
<b>From operations</b>		
Net investment income	\$13,720,344	\$17,595,633
Net realized gain (loss) on investments and foreign currency	13,788,283	8,052,696
Net unrealized gain (loss) on investments and foreign currency translation	(21,124,474)	(6,449,139)
Change in net assets from operations	\$6,384,153	\$19,199,190
<b>Distributions declared to shareholders</b>		
From net investment income	\$(29,146,313)	\$(24,901,357)
From tax return of capital	(23,830,946)	(31,517,817)
Total distributions declared to shareholders	\$(52,977,259)	\$(56,419,174)
Change in net assets from fund share transactions	\$(856,992)	\$
Total change in net assets	\$(47,450,098)	\$(37,219,984)
<b>Net assets</b>		
At beginning of period	641,942,262	679,162,246
At end of period (including accumulated distributions in excess of net investment income of \$3,186,111 and \$2,744,583, respectively)	\$594,492,164	\$641,942,262
<b>See Notes to Financial Statements</b>		

**Table of Contents***Financial Statements***FINANCIAL HIGHLIGHTS**

The financial highlights table is intended to help you understand the fund's financial performance for the past 5 years. Certain information reflects financial results for a single fund share. The total returns in the table represent the rate by which an investor would have earned (or lost) on an investment in the fund share class (assuming reinvestment of all distributions) held for the entire period.

	<b>Years ended 10/31</b>				
	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
Net asset value, beginning of period	\$5.44	\$5.76	\$6.25	\$6.37	\$6.82
<b>Income (loss) from investment operations</b>					
Net investment income (d)	\$0.12	\$0.15	\$0.18	\$0.21	\$0.22
Net realized and unrealized gain (loss) on investments and foreign currency	(0.06)	0.01	(0.16)	0.20	(0.11)
Total from investment operations	\$0.06	\$0.16	\$0.02	\$0.41	\$0.11
<b>Less distributions declared to shareholders</b>					
From net investment income	\$(0.25)	\$(0.21)	\$(0.18)	\$(0.30)	\$(0.26)
From tax return of capital	(0.20)	(0.27)	(0.33)	(0.23)	(0.30)
Total distributions declared to shareholders	\$(0.45)	\$(0.48)	\$(0.51)	\$(0.53)	\$(0.56)
Net increase from repurchase of capital shares	\$0.00(w)	\$	\$	\$	\$
Net asset value, end of period (x)	\$5.05	\$5.44	\$5.76	\$6.25	\$6.37
Market value, end of period	\$4.56	\$5.05	\$5.28	\$6.53	\$6.29
Total return at market value (%)	(0.82)	4.78	(11.67)	13.01	(1.19)
Total return at net asset value (%) (j)(r)(s)(x)	1.96	3.47	0.67	6.80	1.97
<b>Ratios (%) (to average net assets) and Supplemental data:</b>					
Expenses before expense reductions (f)	0.64	0.65	0.68		